

BEFORE THE DIVISION OF OIL, GAS AND MINING
DEPARTMENT OF NATURAL RESOURCES
STATE OF UTAH

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IN THE MATTER OF TENTATIVE
DECISION TO APPROVE A LARGE
MINING AND RECLAMATION PLAN
FOR WESTERN UTAH COPPER
COMPANY'S, WUCC-PALLADON MINE,
BEAVER COUNTY, UTAH

NOTICE OF TENTATIVE
DECISION TO APPROVE

NO. M/001/067

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THE STATE OF UTAH TO ALL OPERATORS, TAKERS OF PRODUCTION,
MINERAL AND ROYALTY OWNERS, AND PARTICULARLY ALL PERSONS
INTERESTED IN SECTIONS 6, 7, 8, 15, 16, 17, 18, 20, 21, 22, 27, 28 AND 34, TOWNSHIP
27 SOUTH, RANGE 11 WEST, SLBM, BEAVER COUNTY, UTAH.

Notice is hereby given by the Division of Oil, Gas and Mining of its tentative decision to approve the Large Mining Operations Notice of Intention for Western Utah Copper Company's WUCC-Palladon Mine. Mining activities will affect the following area: portions of Sections 6, 7, 8, 15, 16, 17, 18, 20, 21, 22, 27, 28 and 34, Township 27 South, Range 11 West, SLBM, Beaver County, Utah.

Western Utah Copper Company (WUCC) has submitted a permit application to expand ~~two~~ existing small mining projects into one large mining operation. Reclamation surety will be provided to the Division for the proposed project disturbance. The operator will employ the following mining and reclamation techniques on approximately 123.8 acres of private, federal and state land with private and federal minerals.

During Operations: WUCC will expand an existing open pit (Hidden Treasure) that was operated by other operators prior to the 1975 mining law. Ore will also be obtained from the existing West OK mine stockpile. Mining will be conducted by: drilling, blasting, and excavation; ore will be trucked to the facility and waste rock will be hauled with end dump trucks and placed on top the existing Hidden Treasure waste rock dump. The Hidden Treasure waste dump will be expanded from its current footprint during the course of operations. Ore from both the Hidden Treasure pit and the West OK stockpile will be processed in the mill/concentrator and the resultant concentrate will be transported by truck and rail offsite for final processing. Water used in the process will be stored within a secondary containment and recycled; no ponds will be needed. Tailings will be generated from the high grade ore processing, dewatered, and then trucked from the mill site to the nearby tailings disposal repository located approximately 1400

feet south of the concentrator. The operation area including roads and crusher will be watered to reduce dust.

After Operations: Mining related facilities will be removed, demolished, and reclaimed following mining. All trash, oil, fuel, equipment, debris and structures will be removed. All process facilities including the concentrator will be dismantled and disposed of off site. All tanks and containers associated with the processing system will be removed from the site, including chemicals, wastes, or other materials they may contain. Any remaining concrete in the vicinity of the processing facilities will be broken up, buried on site, and covered with 3-5 feet of fill prior to topsoil application. Water supply and monitor wells will be plugged and abandoned in accordance with the requirements of the State Engineer.

The waste rock dumps will be graded to 3H: 1V and ripped to a depth of 24 inches after the topsoil is spread. The surfaces will be reseeded using broadcast methods. Road spurs into the pit and dump areas will be fully regraded, deep-ripped, and seeded. Road spurs into the pit and dump areas will be demolished, regraded, deep ripped and reclaimed. The West OK ore stockpile footprint will be regraded, topsoiled and reseeded. A single seed mix is proposed for all reclaimed surfaces. The Hidden Treasure 300 feet deep pit will remain. A variance has been requested to allow a 50-55 degree pit highwall and to not require revegetation in the pit. Four feet high safety berms will be built around the pit and warning signs posted every 150 feet upon reclamation.

The person representing the company is Mr. Mark Dotson; Phone (435) 387-5088. Western Utah Copper Company is fulfilling obligations under the Utah Mined Land Reclamation Act of 1975, Utah Code Ann. §40-8-18.

Any person or agency aggrieved by this tentative decision to issue approval is hereby requested to submit written protest within thirty (30) days of the date of publication to Mary Ann Wright, Associate Director of Mining, Division of Oil, Gas and Mining, 1594 West North Temple, Suite 1210, Box 145801, Salt Lake City, Utah 84114-5801, setting forth factual reasons for the complaint and if a hearing is desired. If no responsive written protests are received by the Division within 30 days after the last date of publication, the tentative decision of the Division will be final.

DATED THIS 19th day of October, 2005

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING



Mary Ann Wright
Associate Director, Mining

CERTIFICATE OF MAILING

I hereby certify that I caused a true and correct copy of the foregoing Notice of Tentative Decision to Approve the Large Mining Notice of Intention for Western Utah Copper Company's WUCC-Palladon Mine project, M/001/067 to be sent via facsimile, electronic mail, or mailed by first class mail, postage prepaid, the 19th day of September, 2005 to:

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Joelle Burns, Secretary

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CERTIFIED RETURN RECEIPT
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Craig Davis
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Beaver, Utah 84713

Ed Ginouves
Bureau of Land Management
Cedar City Field Office
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